ISSN: 2348 9510
International Journal Of Core Engineering & Management (IJCEM)
Volume 1, Issue 7, October 2014

Strategic Analysis Of Polish Cities By Indices Of Competitiveness And Attractiveness For The Meetings Industry

Bartlomiej Walas Ph.D.

The University College of Tourism and Ecology
Sucha Beskidzka, Poland
bwalas@onet.eu

Krzysztof Celuch Ph.D.

Warsaw School of Tourism and Hospitality Management
Warsaw, Poland
k.celuch@vistula.edu.pl

Abstract
A strategic analysis of Polish cities by indices of competitiveness and attractiveness for the meetings industry was prepared in collaboration with the Polish Convention Bureaux and facilities where meetings are held. Its main goal is to present results determining the aspects of meetings and to show their economic potential in the supply chain. The national government, local authorities, private companies and venues create a supply chain which is crucial in the meetings and events industry. Ultimately, it is the client whose decision is most important but all of these elements together build an industry which is based on cities and attractions.

Key words: cities, meetings industry, strategic, competitiveness, destination marketing

Introduction
Located in the heart of Europe, Poland, with its 38 million inhabitants, is the ninth largest country in Europe and has a rich history. Poland changed the course of history in 1989 by becoming the first central-eastern European state to break free of communism. This year the celebration of the 20th anniversary of those days were officially organized in Poland. Later Poland joined NATO and became a member of the European Union (2004) and the Schengen Zone (2007). Poland has enjoyed nearly 20 years of growth as it has transitioned from central planning to a market economy. Growth slowed and unemployment shot up following the disruptions caused by the Russian financial crisis in the late 1990s, but by 2003, healthy growth rates had returned and unemployment had begun to fall. Today, four years of growth averaging nearly 5.5% per year have increased average Polish incomes and had reduced unemployment to 6.3% by

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May 2009. While Poland's banking system has escaped the global economic crisis relatively unscathed, growth is again beginning to slow due to weaknesses in Poland's key export markets and a concomitant weakness in domestic investment. In the years 2001-2013, there were eleven Convention Bureaux established in Poland, working in tourism regions and marketing meetings and events. During that period, selected bureaux adopted international patterns to fit them to the Polish economic situation, while others created their own business model. The meetings industry as a discipline attracted the attention of regions, which can be assessed by analyzing the number of investments related to conferences and exhibitions. Local authorities establish meetings and events, which are a way to generate additional income and boost the local economy.

Methodology

The difficulty of conducting research and analysis of the tourism market lies in the fact that it is dependent on a myriad of social, economic, environmental and even political factors. The investigator must be aware of these in order to assess select the appropriate parameters and characteristics. One area that requires parametric analysis is the assessment of the status and prospects of development of the region/cities and its tourism products even through different markets emission [4]. Especially in the construction of local tourism strategies we can observe lack of use of methodological tools. Hence, in this article I have used a modified method created by Arthur D. Little (ADL, called “the method”) to assess the development of cities for the meetings industry, which should be the subject of special interest to public administrative bodies [5]. The applied method assesses the value of products made on the basis of two indices: competitiveness and attractiveness.

The analysis was performed from the point of view of foreign emissions markets for various meetings industry products.

Competitiveness determines how competitively a bid meets the standards for local, national and international arenas. For example, a highly competitive bid meets the quality standards of a competitive product, price, service, etc. Low competitiveness means the opposite. Usually, highly competitive bids do not need public support, because the private sector should be able to take advantage of existing opportunities. Competitiveness is thus a combination of attractions and image, tourist infrastructure and accessibility.

• places to travel and their image
• tourist infrastructure (location, standard)
• accessibility (cost, availability of air traffic, the degree of convenience, price).

The attractiveness determines the economic benefit of the local tourism economy - for example, in terms of job creation, economic value added and low requirements for infrastructure investments. A highly attractive offer deserves the special attention of the local administration, while An offer of low

attractiveness does not usually justify such involvement. Attractiveness is a combination of segment size and purchasing power, economic benefits and the possibility of realizing the event:

• segment size and purchasing power (assessed in terms of potential arrivals to the city). The bigger the segment and related travel expenses, the more attractive the bid. Size is assessed in terms of the general population and the potential of trips to the destination. Expenditure is expressed in purchasing power (expressed by per capita income in purchasing power parity), which shows the price sensitivity and purchasing power segments.
• The economic benefit (the benefit to the economy is the production attained by the companies . In the tourism industry, production is expressed through daily expenses and accommodation used by tourists. Benefits are expressed through daily expenses and cheaper accommodation used by tourists).
• the possibility of realizing the event (as measured by the cost of the necessary investment or infrastructure to support the development of the product, just in product development or at the expense of investment in the promotion).

Fig. 1 Location of the results achieved for each product

Competitivene	**Attractiveness**		
	high	support by creating a favorable business climate	support in marketing
	low	no support	support in product development and infrastructure
		low	**high**

Source: Own study

High competitiveness / high attractiveness: the index to be achieved. These are cities in which both competitiveness and economic benefits are high. The private sector commercializes this product and needs only the support of local authorities in terms of information and effective marketing of the city as a destination for emission markets.
Low competitiveness / high attractiveness: a product worthy of attention of local authorities, particularly in terms of accessibility and infrastructure development. The purpose of local government support would be to help broaden the product and to create the conditions for improving long-term competitiveness and the development of new sub-products.
High competitiveness / low attractiveness: the position of the city does not justify the intervention and support of local authorities, besides maintaining a favorable economic climate.
Low competitiveness / low attractiveness: the city is not predictive of economic success, cessation of investment in the current state of individual parameters.

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The final step is to evaluate the product groups based on the assessment criteria for competitiveness and attractiveness and distribution of the results on the map. For each criterion the point ranges from 1 to 5, where 1 indicates low competitiveness and low attractiveness and 5 indicates high competitiveness and attractiveness. The weight assigned to each criterion indicates their relative validity in relation to competitiveness/attractiveness.

Test results

The described method was used for the following cities: Warsaw, Cracow, Gdansk, Poznan, Wroclaw and Lodz. The study was based on a statistical analysis of secondary sources evaluated through brainstorming and in-depth interviews with 42 individuals representing local governments, PCO and professionals in the field of tourism and marketing. The study was conducted in February 2014. The results of the analysis were as follows:

Criteria	**weight**	**Cracow**	**Warsaw**	**Poznan**	**Wroclaw**	**Lodz**	**Gdansk**
attractions and image	30%	4	4	3	2	1	3
infrastructure	40%	4	5	3	2	2	2
accessibility	30%	4	5	3	3	1	2
competitiveness index		**4.0**	**4.7**	**3.0**	**2.3**	**1.4**	**2.3**
segments	40%	5	5	3	3	1	3
economic benefit	40%	4	5	3	3	2	3
the possibility of realization	20%	4	4	3	3	2	3
attractiveness index		**4.4**	**4.8**	**3.0**	**3.0**	**1.6**	**3.0**

Source: Own study

The results clearly indicate the dominance of Warsaw and Cracow, particularly when assessing competitiveness. However, this is natural considering even the image of both cities in foreign markets and the availability of infrastructure. The position of both cities mainly indicates the need for support in the field of marketing. The weakest position was held by the city Lodz, and the possible development of inbound tourism from the meetings industry needs the substantial support of local authorities to improve the indicators of competitiveness. However, the position on the map does not indicate much chance of

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achieving success, especially given the current diagnosis of indicators of competitiveness and attractiveness. The position of the the analyzed cities are placed on the map below. (Fig. 2) (Fig. 3)

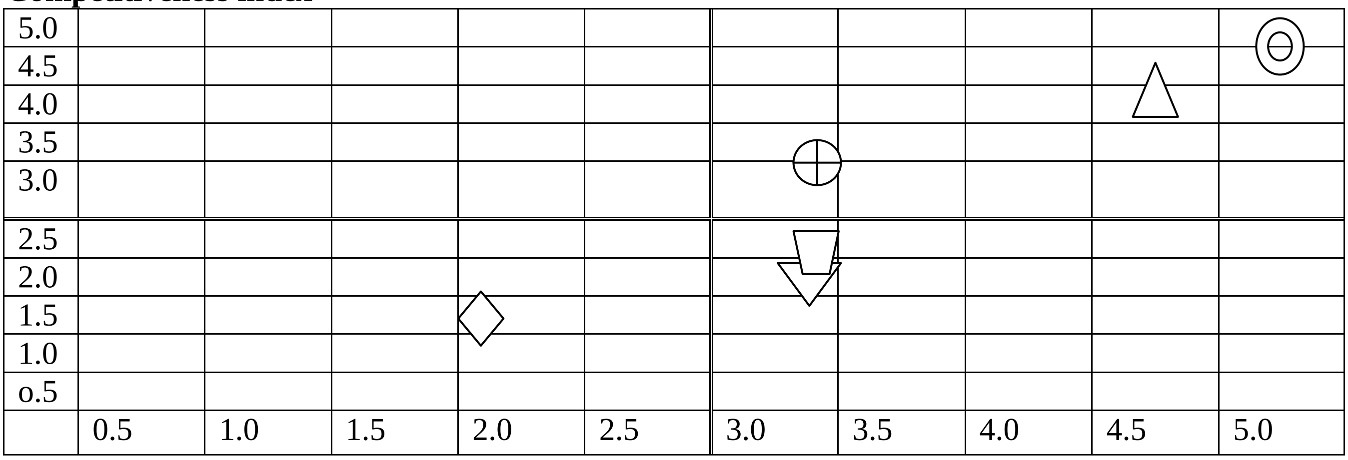
Fig. 2 Symbols of cities:

Cracow	△
Warsaw	◎
Gdansk	▽
Poznan	⊕
Wroclaw	⏢
Lodz	◇

Source: Own study

Fig. 3 Competitiveness and attractiveness index of Polish cities

Competitiveness index



attractiveness index
Source: Own study

These positions, however, may change with the development of infrastructure and the improvement of a city's image. The ADL method used is a proposition and an attempt to look at the multifunctional tourist product. It may change over time and could be considered for a variety of consumer segments. Also, selected criteria can be modified. The presented method is a proposal of one applicable tool that should be

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used in the analysis of the strategic positions more often, as in many cases analysis is limited to a SWOT analysis and is rarely based on a system of weights [6].

The cooperation of the regional Convention Bureaux, recommended organizers of congresses and incentive travels, facilities and universities, enabled the gathering of data from fifteen voivodeships, dozens of objects, and gave an opportunity to analyze 18,100 meetings and events in 2013 [1]. It shows the potential of Polish cities and its competitiveness and attractiveness. Not are only conference venues, hotels and local attractions crucial, but the way they promote themselves and the tools they use, including statistical programs, are also important. The survey conducted among conference participants shows that their stay in the visited cities (Gdansk and Warsaw) lasted for about 3 days, and the expenditure incurred (excluding the organizer's fee) was about 791 PLN per person. The respondents stayed for an average of 2.5 nights. The expenditure of fair participants in the location visited amounted on average to 910 PLN per person (excluding payments to the organizers). The average length of stay was 3.5 days, and the number of nights 2.5. [1]

The attractiveness of a destination is very often measured based on the number of attendees and visitors. Using data analysis it is possible to estimate the number of nights purchased by participants in the meetings and events in 2012 to about 4.5 million, which represented approximately 7.3% of accommodation provided in this year throughout Poland as a whole. Taking as a basis an average price in hotels in Poland in 2012 of PLN 300, it can be estimated that the volume of sales of accommodation services was ca. PLN 1,350 million. If one applies a ration of the volume of sales per employee, we can calculate that the meetings industry contributed to the creation of jobs for 11,390 people. The added value is approximately PLN 610 million in the country as a whole. [1]

To summarize, it is important to mention that Polish cities still possess considerable potential. Not only big events, but small and dedicated meetings can also change the perception and attitude of business guests or tourists. In the opinion of the authors, the synergy of good quality, a fresh and open attitude and professional approach can change the region and create new "rising star destinations".

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